BMT Tax Depreciation
QUANTITY SURVEYORS

Tax Depreciation Estimate

Maximising the cash return from investment properties

Cnr Seaview Avenue & Gold Coast Highway
MERMAID BEACH QLD 4218

3 June, 2024

Aniko Group
PO Box 1739
BROADBEACH QLD 4218

Cnr Seaview Avenue & Gold Coast Highway, MERMAID BEACH QLD 4218 - 884375

Dear Sir/Madam,

Please find attached the BMT Tax Depreciation Estimates for the above property detailing the depreciation and associated tax allowances that may be available to the owner under the Income Tax Assessment Act 1997 (ITAA97).

This document is intended to provide a guide to the potential depreciation and building allowances available from the purchase of the above residential property, facilitating the estimation of the after tax return on the investment over the first 10 full years of ownership.

1.0 Information

The following information was used in the preparation of the schedules:

- Written and verbal information provided by Aniko Group.

2.0 Depreciation Potential – Plant and Capital Allowance

The purchaser of the property, intending to use it for income producing purposes, is entitled to depreciation including:

- Division 40, Depreciation of Plant and Equipment; and
- Division 43, Capital Works Allowance (2.5% pa).

The depreciation of plant and equipment items is based on the diminishing value effective life rates as published by the commissioner of taxation (2020/3).

In the scenario where plant and equipment items are not sold at an agreed value these items will be depreciated on the basis of a just attribution of the total expenditure (division 40 ITAA97).

3.0 Capital Work Allowance

The special building write off allowance is based on the industry specific eligible dates. If the property qualifies for the special building write off, the applicable depreciation rate will be used.

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Where properties do not qualify for the special building write off allowance, no capital works allowance will be used.

The allowance for capital works will be based on the historical cost of construction less non-depreciable items.

4.0 Estimate Calculation

This report is based on a just attribution of the total expenditure to estimate the allowances for plant. The estimates provided are based on the sale price as indicated, as the final purchase price at this time is not known.

This estimate has been provided for the purpose of informing the investor of the depreciation potential. Different depreciation returns are available and are influenced by the purchase price of the property.

Please note that the first year calculations are based on ownership over a full financial year.

5.0 Disclaimer

This report has been based on very preliminary documentation, and the figures provided should be treated as a guide only.

As documentation improves, BMT Tax Depreciation will be able to provide more accurate estimates of depreciation.

6.0 Conclusion

As can be extracted from the attached tables, the units will obtain maximum depreciation potential within the first 5 years of ownership.

BMT Tax Depreciation would be pleased to provide a complete detailed tax depreciation report on any of the units in the above property upon request.

Our results suggest employing a specialist to maximise the various tax allowances has a significant effect on improving the after tax return.

Should you or the purchaser wish to discuss the contents of this report in more detail, please do not hesitate to contact Bradley Beer at the office.

Yours Sincerely,

BMT Tax Depreciation

BMT Tax Depreciation Pty Ltd

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Appendix One

BMT Tax Depreciation Estimate

Cnr Seaview Avenue & Gold Coast Highway

MERMAID BEACH QLD 4218

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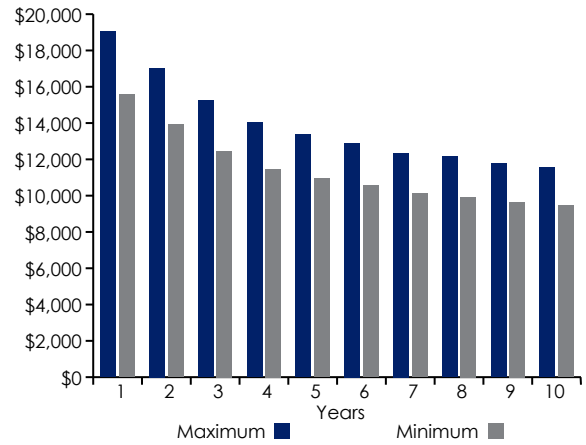
Estimate of Depreciation Claimable
Type D
Cnr Seaview Avenue & Gold Coast Highway, MERMAID BEACH QLD 4218

Maximum

Year	Plant & Equipment	Division 43	Total
1	8,166	10,890	19,056
2	6,136	10,890	17,026
3	4,335	10,890	15,225
4	3,131	10,890	14,021
5	2,477	10,890	13,367
6	2,019	10,890	12,909
7	1,458	10,890	12,348
8	1,250	10,890	12,140
9	895	10,890	11,785
10	659	10,890	11,549
11 +	3,553	326,687	330,240
Total	$34,079	$435,587	$469,666

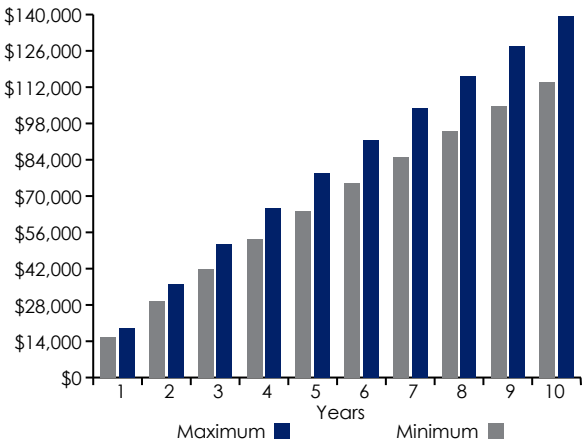
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	6,682	8,910	15,592
2	5,020	8,910	13,930
3	3,547	8,910	12,457
4	2,561	8,910	11,471
5	2,027	8,910	10,937
6	1,652	8,910	10,562
7	1,193	8,910	10,103
8	1,022	8,910	9,932
9	733	8,910	9,643
10	539	8,910	9,449
11 +	2,907	267,289	270,196
Total	$27,883	$356,389	$384,272

Cumulative Yr 1-10 (Min & Max)



* assumes settlement on 1 July in any given year.

This is an estimate only and should not be applied or acted upon. Depreciation of plant is based on the Diminishing Value method of depreciation applying Low-Value Pooling. The Division 43 Write Off Allowance is calculated using 2.5% depending on the property type and date of construction. This estimate is based upon legislation in force at the date of report production.

This Estimate Cannot Be Used For Taxation Purposes

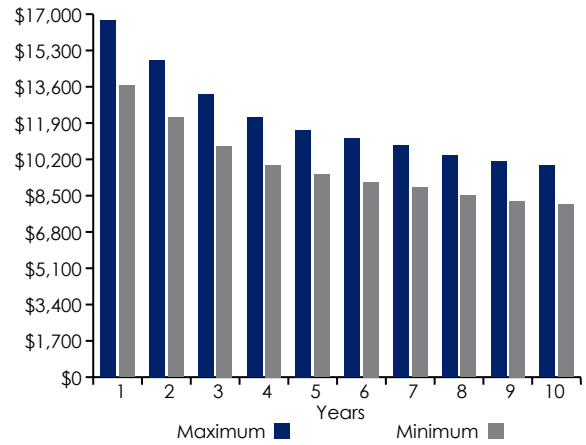
To discuss the contents of this report please contact Bradley Beer at BMT Tax Depreciation on 07 5526 3520

Estimate of Depreciation Claimable
Type C
Cnr Seaview Avenue & Gold Coast Highway, MERMAID BEACH QLD 4218

Maximum

Year	Plant & Equipment	Division 43	Total
1	7,352	9,338	16,690
2	5,515	9,338	14,853
3	3,895	9,338	13,233
4	2,813	9,338	12,151
5	2,244	9,338	11,582
6	1,840	9,338	11,178
7	1,503	9,338	10,841
8	1,048	9,338	10,386
9	754	9,338	10,092
10	559	9,338	9,897
11 +	3,038	280,152	283,190
Total	$30,561	$373,532	$404,093

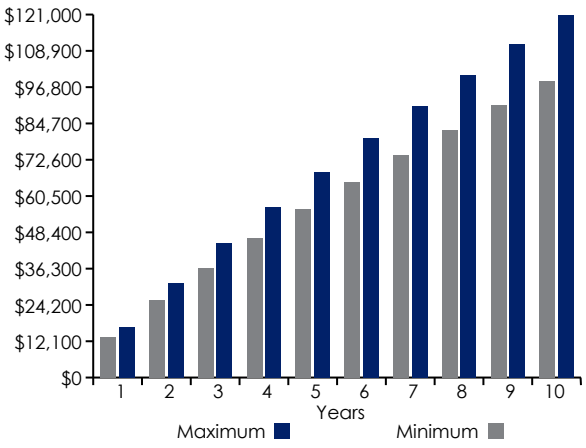
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	6,016	7,640	13,656
2	4,513	7,640	12,153
3	3,187	7,640	10,827
4	2,301	7,640	9,941
5	1,836	7,640	9,476
6	1,506	7,640	9,146
7	1,229	7,640	8,869
8	858	7,640	8,498
9	617	7,640	8,257
10	457	7,640	8,097
11 +	2,486	229,216	231,702
Total	$25,006	$305,616	$330,622

Cumulative Yr 1-10 (Min & Max)



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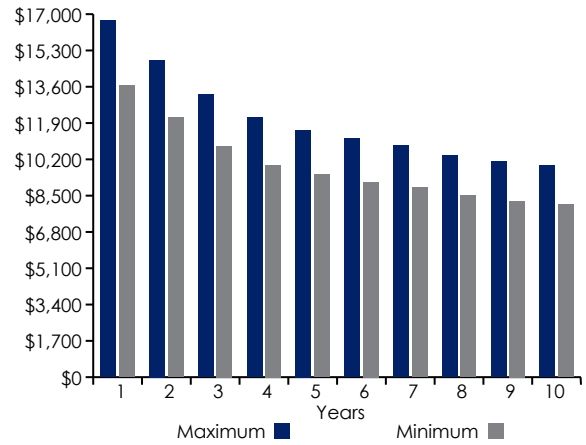
Estimate of Depreciation Claimable
Type B
Cnr Seaview Avenue & Gold Coast Highway, MERMAID BEACH QLD 4218

Maximum

Year	Plant & Equipment	Division 43	Total
1	7,352	9,338	16,690
2	5,515	9,338	14,853
3	3,895	9,338	13,233
4	2,813	9,338	12,151
5	2,244	9,338	11,582
6	1,840	9,338	11,178
7	1,503	9,338	10,841
8	1,048	9,338	10,386
9	754	9,338	10,092
10	559	9,338	9,897
11 +	3,038	280,152	283,190
Total	$30,561	$373,532	$404,093

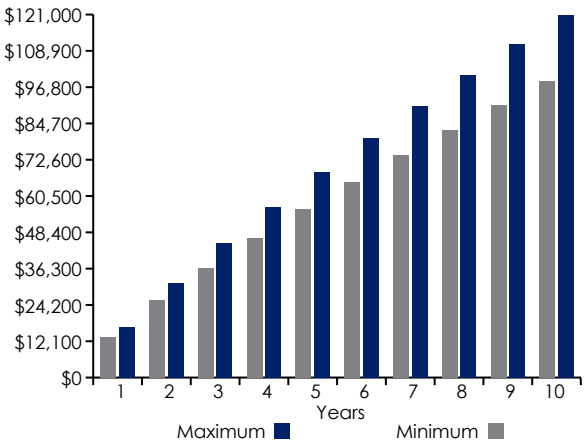
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	6,016	7,640	13,656
2	4,513	7,640	12,153
3	3,187	7,640	10,827
4	2,301	7,640	9,941
5	1,836	7,640	9,476
6	1,506	7,640	9,146
7	1,229	7,640	8,869
8	858	7,640	8,498
9	617	7,640	8,257
10	457	7,640	8,097
11 +	2,486	229,216	231,702
Total	$25,006	$305,616	$330,622

Cumulative Yr 1-10 (Min & Max)



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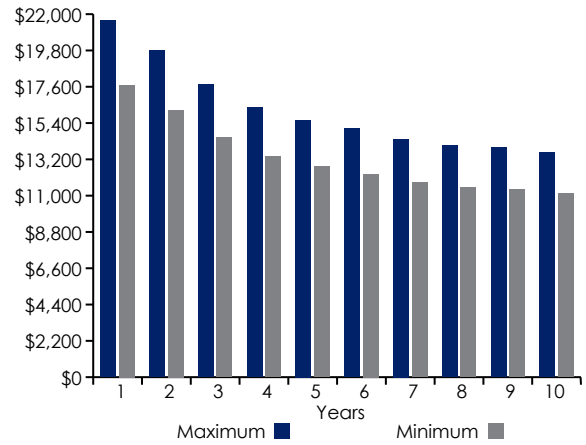
Estimate of Depreciation Claimable
Type A
Cnr Seaview Avenue & Gold Coast Highway, MERMAID BEACH QLD 4218

Maximum

Year	Plant & Equipment	Division 43	Total
1	8,821	12,812	21,633
2	6,984	12,812	19,796
3	4,919	12,812	17,731
4	3,545	12,812	16,357
5	2,780	12,812	15,592
6	2,243	12,812	15,055
7	1,629	12,812	14,441
8	1,212	12,812	14,024
9	1,087	12,812	13,899
10	792	12,812	13,604
11 +	4,171	384,384	388,555
Total	$38,183	$512,504	$550,687

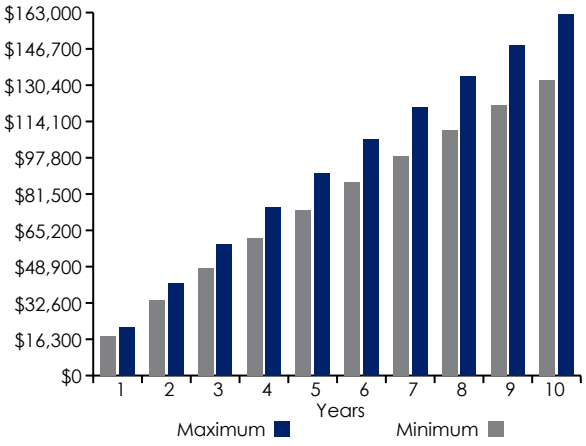
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	7,217	10,482	17,699
2	5,714	10,482	16,196
3	4,025	10,482	14,507
4	2,901	10,482	13,383
5	2,274	10,482	12,756
6	1,835	10,482	12,317
7	1,333	10,482	11,815
8	992	10,482	11,474
9	889	10,482	11,371
10	648	10,482	11,130
11 +	3,413	314,496	317,909
Total	$31,241	$419,316	$450,557

Cumulative Yr 1-10 (Min & Max)



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